

the manner and form used for the original prospectus. It shall become effective 10 days after filing unless the operator is notified otherwise.

(e) The charter operator shall notify the depository bank (if any) and the securer of any change described in paragraph (c)(1) or (c)(2) of this section not later than when he files a prospectus amendment to reflect the change. If the securer is unable to adjust the security agreement as required by the change, it shall notify the Board (Special Authorities Division, Bureau of Domestic Aviation) of this fact within 2 business days after receiving notice of the change for the charter operator.

(Approved by the Office of Management and Budget under control number 3024-0029)

(Secs. 101(3), 204, 401, 402, 404, 407, 411, 416, and 1102 of the Federal Aviation Act of 1958, as amended, 72 Stat. 737, 743, 754, 757, 760, 766, 769, 771, 791, 49 U.S.C. 1301, 1324, 1371, 1372, 1374, 1377, 1381, 1386, and 1502; secs. 101(3), 204(a), 401, 402, and 416 of the Federal Aviation Act of 1958, as amended, 72 Stat. 737, 743, 754, 757, and 92 Stat. 1731; (49 U.S.C. 1301, 1324(a), 1371, 1372, and 1386))

[SPR-156, 44 FR 12979, Mar. 9, 1979, as amended by SPR-165, 44 FR 51209, Aug. 31, 1979; SPR-193, 48 FR 46265, Oct. 12, 1983]

§ 380.25a Charters by direct air carrier affiliates.

A charter operator controlling, controlled by, or under common control with a direct air carrier shall not enter into any operator-participant contract for a charter trip provided by the affiliated direct carrier that is signed by or on behalf of the participant less than 7 days before the scheduled departure date. For the purposes of this section, "control" means any ownership, common management, debtor-creditor, or other relationship between the two entities by which one entity could influence the other's business decisions other than by arms-length business transactions.

(Secs. 102, 204, 401, 402, 416, of the Federal Aviation Act of 1958, as amended, 92 Stat. 1706, 72 Stat. 743, 754, 757, 92 Stat. 1731; (49 U.S.C. 1302, 1324, 1371, 1372, 1386))

[SPR-166, 44 FR 50832, Aug. 30, 1979]

§ 380.26 Discrimination.

No charter operator shall make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, locality, or description of traffic in air transportation in any respect whatsoever, or subject any particular person, port, locality, or description of traffic in air transportation to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

§ 380.27 Methods of competition.

No charter operator shall engage in unfair or deceptive practices or unfair methods of competition in air transportation or the sale thereof.

§ 380.28 Charter prospectus.

(a) The charter prospectus shall include an original and one copy of the following:

(1) From the charter operator and the direct air carrier: (i) The proposed flight schedule, listing the origin and destination cities, dates, type of aircraft, number of seats, and charter price for each flight; (ii) the tour itinerary (if any) including hotels (name and length of stay at each), and other ground accommodations and services; and (iii) a statement that they have entered into a charter contract that covers the proposed flight schedule, that the contract complies with all applicable Board regulations, and that a copy of the schedule has been sent to the depository bank (if any) and the operator's securer. The schedule shall be identified with a number assigned by the charter operator that does not duplicate any schedule numbers assigned by the operator to other proposed flight schedules. The proposed flight schedule, tour itinerary (if any), and statement shall be in the form set out in appendix B to this part.

(2) From the charter operator and the securer, a statement: (i) That they have entered into a security agreement covering the proposed flight schedule that complies with § 380.34, including the amount of the coverage, the number assigned to it by the securer, and the amount of any outstanding claims against it, and (ii) that the securer has received a copy of the proposed flight